

(2) *Disaggregation.* Spectrum may be disaggregated in any amount. A licensee need not retain a minimum amount of spectrum.

(3) *Partitioning.* In the case of partitioning, applicants and licensees must file FCC Form 603 pursuant to § 1.948 of this chapter and list the partitioned service area on a schedule to the application. The geographic coordinates must be specified in degrees, minutes, and seconds to the nearest second of latitude and longitude, and must be based upon the 1983 North American Datum (NAD83).

(4) *Combined partitioning and disaggregation.* The Commission will consider requests from geographic area licensees for partial assignment of licenses that propose combinations of partitioning and disaggregation.

(c) *Construction requirements.*—(1) *Disaggregation.* Partial assignors and assignees for license disaggregation have two options to meet construction requirements. Under the first option, the disaggregator and disaggregatee would certify that they each will share responsibility for meeting the applicable construction requirements set forth in § 101.1325 for the geographic service area. If parties choose this option and either party fails to meet the applicable construction requirements, both licenses would be subject to forfeiture at renewal. The second option allows the parties to agree that either the disaggregator or disaggregatee would be responsible for meeting the requirements in § 101.1325 for the geographic service area. If parties choose this option, and the party responsible for meeting the construction requirement fails to do so, only the license of the non-performing party would be subject to forfeiture at renewal.

(2) *Partitioning.* Partial assignors and assignees for license partitioning have two options to meet construction requirements. Under the first option, the partitionor and partitionee would each certify that they will independently satisfy the applicable construction requirements set forth in § 101.1325 for their respective partitioned areas. If either licensee fails to meet its requirement in § 101.1325, only the non-performing licensee's renewal application would be subject to dismissal. Under

the second option, the partitionor certifies that it has met or will meet the requirement in § 101.1325 for the entire market. If the partitionor fails to meet the requirement in § 101.1325, however, only its license would be subject to forfeiture at renewal.

(3) All applications requesting partial assignments of license for partitioning or disaggregation must certify in the appropriate portion of the application which construction option is selected.

(4) Responsible parties must submit supporting documents showing compliance with the respective construction requirements within the appropriate construction benchmarks set forth in § 101.1325.

(d) *License term.* The license term for a partitioned license area and for disaggregated spectrum shall be the remainder of the original licensee's license term as provided for in § 101.1313.

[65 FR 17450, Apr. 3, 2000, as amended at 67 FR 45380, July 9, 2002]

SYSTEM REQUIREMENTS

§ 101.1325 Construction requirements.

(a) Incumbent and site-based licenses are subject to the construction requirements set forth in § 101.63.

(b) Each MAS EA licensee must provide service to at least one-fifth of the population in its service area or "substantial service" within five years of the license grant. In addition, MAS EA licensees must make a showing of continued "substantial service" within ten years of the license grant. Licensees must file maps and other supporting documents showing compliance with the respective construction requirements within the appropriate five- and ten-year benchmarks of the date of their initial licenses.

(c) Failure by any licensee to meet these requirements will result in forfeiture or non-renewal of the initial license, and the licensee will be ineligible to regain it.

[65 FR 17450, Apr. 3, 2000, as amended at 68 FR 4961, Jan. 31, 2003]

§ 101.1327 Renewal expectancy for EA licensees.

(a) A renewal applicant shall receive a renewal expectancy at the end of the license period as long as the applicant:

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(1) Demonstrates that the licensee has provided continued “substantial service,” *i.e.*, service which is sound, favorable, and substantially above a level of mediocre service which just might minimally warrant renewal, during its past license term;

(2) Demonstrates that the licensee has substantially complied with applicable Commission Rules, policies, and the Communications Act of 1934, as amended;

(3) Provides an explanation of the licensee’s record of expansion, including a timetable of the construction of new facilities to meet changes in demand for services provided by the licensee; and (4) Provides a description of investments made by the licensee in its system.

(b) In determining whether a renewal applicant has complied with the “substantial service” requirement by the end of the ten-year initial license term, the Commission may consider factors such as:

(1) Whether the licensee is offering a specialized or technologically sophisticated service that does not require a high level of coverage to be of benefit to customers; and

(2) Whether the licensee’s operations service niche markets or focus on serving populations outside of areas served by other licensees. The “substantial service” requirement can, however, be met in other ways, and the Commission will review each licensee’s showing on a case-by-case basis.

(c) A “substantial service” assessment will be made at renewal pursuant to the procedures contained in § 1.949 of this chapter.

[65 FR 17450, Apr. 3, 2000]

§ 101.1329 EA Station license, location, modifications.

EA licensees may construct master and remote stations anywhere inside the area authorized in their licenses, without prior approval, so long as the Commission’s technical and other Rules are complied with, except that individual licenses are required for any master station that:

(a) Requires the submission of an environmental assessment under § 1.1307 of this chapter;

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(b) Requires international coordination; or

(c) The station would affect areas identified in § 1.924 of this chapter.

[65 FR 17450, Apr. 3, 2000, as amended at 69 FR 17959, Apr. 6, 2004]

§ 101.1331 Treatment of incumbents.

(a) Any MAS station licensed by the Commission prior to July 1, 1999 in the 928.0–928.85 MHz/952.0–952.85 MHz/956.25–956.45 MHz and 928.85–929.0 MHz/959.85–960.0 MHz bands, as well as assignments or transfers of such stations approved by the Commission and consummated as of January 19, 2000, shall be considered incumbent.

(b) Incumbent operators in the 928.0–928.85 MHz/952.0–952.85 MHz/956.25–956.45 MHz bands are grandfathered as of January 19, 2000, and may continue to operate and expand their systems pursuant to the interference protection and co-channel spacing criteria contained in § 101.105.

(1) MAS operators are prohibited from acquiring additional frequencies in the 928.0–928.85 MHz/952.0–952.85 MHz/956.25–956.45 MHz bands and the 932.25625–932.49375 MHz/941.25625–941.49375 MHz bands for the purpose of expanding private carrier service and from changing the use of their frequencies in any manner that is inconsistent with this part. Refer to § 101.147 for designated uses.

(2) Incumbent operators in the 928.0–928.85 MHz/952.0–952.85 MHz/956.25–956.45 MHz bands will include incumbents as defined in § 101.1331(a), as well as, their transferees and/or assignees and the successors of the transferees and/or assignees and retain their grandfathered status, provided that the use of the MAS frequencies remains unchanged from that of the transferor and/or assignor of the license.

(c) Incumbent operators in the 928.85–929.0/959.85–960.0 MHz bands are grandfathered as of January 19, 2000, and may expand their systems provided that the signal level of the additional transmitter(s) does not increase the composite contour that occurs at a 40.2 kilometer (25-mile) radius from the center of each master station transmitter site. Incumbent operators and geographic area licensees may negotiate alternative criteria.